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First Amended Complaint

district and division through at least three retail stores in the immediate vicinity of the San Jose, division, including but not limited to Oakridge Mall, 135 Oakridge Mall, San Jose, CA, Valley Fair Mall, 2855 Stevens Creek Blvd., Santa Clara, CA, and Eastridge Mall, One Eastridge Mall, San Jose, CA.

<u>INTRADISTRICT ASSIGNMENT</u>

4. This action may be correctly assigned to this division based upon the Defendant HOT TOPIC's status as a corporation conducting active retail business in the division. The primary business location of the Plaintiff, KAKU LAB is in Fremont, CA, and on that basis, assignment would be appropriate to either the Oakland or San Jose divisions.

THE PARTIES

- 5. Plaintiff KAKU LAB CORPORATION, which markets a series of hand-made string dolls under the "Voodoo Baby" label is a California corporation with its principle place of business in Fremont, California.
- 6. KAKU LAB CORPORATION is the exclusive U.S. licensed distributor and has been assigned the right to enforce the United States copyrights of Saan_ha Limited Partnership (a Thailand Limited Partnership) and its artist-designers Kanya Thuaylai, Tanayot Saihaikum and Taweechas Boontoom, the creators and copyright originators of the registered copyright designs for string dolls listed in Exhibit A, which is incorporated by reference.

GENERAL FACTS

- 7. Plaintiff KAKU LAB CORPORATION, has spent significant time, effort and expense in order to acquire exclusive distribution rights to Saan_ha's string doll designs. Saan_ha and its artists have created many unique, high quality string doll designs, for which is has registered United States copyrights.
- 8. On or about October 18, 2006, KAKU LAB CORPORATION notified Defendant HOT TOPIC of its copyright ownership in certain string doll designs.

- Plaintiff KAKU LAB CORPORATION is informed and believes that HOT TOPIC continued to market and sell string dolls which infringe on the copyrights of KAKU LAB CORPORATION.
- 10. A list of the registered copyrights that have already issued to Saan_ha's designers/artists is attached hereto as Exhibit A and is hereby incorporated by reference.
- 11. Also included in the list in <u>Exhibit A</u> is a column naming the HOT TOPIC-distributed product that KAKU LAB CORPORATION believes to be infringing, to the extent such names have been indentified by KAKU LAB CORPORATION.
- 12. On information and belief, Defendant has purchased for resale and is marketing and selling infringing "knock-off" products which copy Plaintiff's designs.
- 13. On information and belief Defendant or its agents and suppliers have created derivative works based on Plaintiff's unique, copyright designs, including but not limited to keychains, earrings, necklace pendants and so forth.

FIRST CAUSE OF ACTION – COPYRIGHT INFRINGEMENT

- 14. Plaintiff incorporates by reference paragraphs one through 13, above.
- 15. KAKU LAB CORPORATION, has spent significant time, effort and expense in order to acquire exclusive distribution rights to Saan ha's original and unique string doll designs.
- 16. KAKU LAB CORPORATION, has incurred significant expense promoting and marketing its products.
- 17. On information and belief, Defendant has infringed and continues to infringe Plaintiff's right under United States copyright laws by (1) reproducing the copyrighted works without Plaintiff's authorization; (2) distributing copies of the copyright works to the public by sales or other transfers of ownership without Plaintiff's authorization; and (3) creating or distributing unauthorized derivative works without Plaintiff's authorization.

- Plaintiff is suffering and will continue to suffer irreparable harm as a direct result of Defendant's infringing conduct. Plaintiff is entitled to preliminary and permanent injunctions against Defendant's continuing unauthorized sale, advertising for sale, dissemination and distribution of Plaintiff's copyrighted works.
- 19. Plaintiff has sustained monetary damages as a result of Defendant's infringing conduct, the precise amount of which will be proven at trial. Plaintiff is also entitled to disgorgement of any profits unlawfully earned and/or received by Defendant as a result of its infringing conduct.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendant as follows:

- 1. For compensatory damages in an amount subject to proof at trial, including prejudgment interest thereon.
- 2. For reasonable and appropriate damages for willful copyright violation by the Defendant.
- 3. For a preliminary and permanent injunction against Defendant's continuing unauthorized distribution, sale, advertising for sale, marketing and creation of derivative works based on Plaintiff's copyrighted works.
- 4. For an order of restitution direction Defendant to disgorge any and all profits unlawfully earned and/or received from the infringing conduct.
- 5. For an aware of attorneys fees and costs against Defendant.
- 6. For interest to accrue from the date of judgment at the statutory rate (10%).
- 7. For such other and further relief as the Court deems just and proper.

Dated: February 6, 2008 Shawn T. Leuthold Attorney for Plaintiff Kaku Lab Corporation

Exhibit A – Registered Copyrights

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3	Designer	Name of doll (Saan_ha/ Kaku Lab)	Registration	Date of registration	Hot Topics Name
4	Kanya Thuaylai	Captain Bad / Cap Hook	VA 1-359-090	2/21/2006	
5	Kanya Thuaylai	Lover Boy/ In Love	VA 1-359-086	2/21/2006	"In Love" VooDoo Friends
6	Kanya Thuaylai	Judo Sensei/ Konfu Kid	VA 1-359-091	2/21/2006	"Kung Fu Fighter" VooDoo Friends KC Mummy Hrt Eyes
7	Kanya Thuaylai	Heart Throbber/ Heart Stealer	VA 1-352-918	2/22/2006	·
8	Kanya Thuaylai	Little Prince	VA 1-359-084	2/21/2006	
9	Kanya Thuaylai	Bella	VA 1-359-092	2/21/2006	
10	Tanayot Saihaikum	Little Angel/ Angelina	VA 1-359-087	2/21/2006	
11	Tanayot Saihaikum	Collin the Pirate/ Venturer	VA 1-359-089	2/21/2006	
12	Tanayot Saihaikum	Sid/ Mr T	VA 1-353-127	2/22/2006	"Misfit" VooDoo Friends
13	Tanayot Saihaikum	El Diablo/ Demon Guard(Black)	VA 1-352-916	2/22/2006	
14	Tanayot Saihaikum	Red Devil/ Demon Guard(Red)	VA 1-353-187	2/23/2006	"Prince of Darkness" VooDoo Friends
15	Tanayot Saihaikum	Crazy Eyes/ Lumi	VA 1-352-917	2/22/2006	
16	Tanayot Saihaikum	The Vampire/ Dracula	VA 1-359-085	2/21/2006	"Vampire" VooDoo Friends
17	Taweechas Boontoom	Jo Ninja/ Ninja	VA 1-359-088	2/21/2006	"Ninja" VooDoo Friends
18	Taweechas Boontoom	Mr. Mummy/ Distracter	VA 1-358-156	2/22/2006	
19	Taweechas Boontoom	Monster Man/ Frankieheart	VA 1-352-919	2/22/2006	
20	Taweechas Boontoom	The Zombie/ Voodoo Me	VA 1-353-128	2/22/2006	KC Wht Mummy Pin Heart
21	Taweechas Boontoom	Punkin/ Mr. Pumkin	VA 1-352-147	2/22/2006	